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THE COMMISSION'S ACTIVITIES AND IMPLEMENTATION OF PRIORITIES IN 1990

(Commission resolution 2 (XXV) and decisions A (45) and O (45))

Report by the Executive Secretary

INTRODUCTION

1. This report reviews only the highlights of the activities of the Commission since the forty-fifth session. A fuller account is contained in the reports of the Principal Subsidiary Bodies and in certain documents prepared for the forty-sixth session, including, inter alia, the Notes and Reports on the Commission's contribution to United Nations programmes designed to assist developing countries (E/ECE/1231) and on economic co-operation in the Mediterranean in the light of the Final Act of the CSCE (E/ECE/1243). More detailed information on the implementation of decisions A (45) and O (45) is contained in documents E/ECE/1242 and 1244.

2. The review of programme activities below begins with those sectors identified by the Commission as priority areas of activity.

3. Special attention has also been paid throughout this report to activities related to the general priority identified by the Commission, namely assistance to countries in transition to a market economy and their integration into the European and global economy, as well as to the guiding principle of sustainable development. (See also documents E/ECE/1232 and 1236).

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Environmental and Water Problems (ECE/ENVWA/18)

4. The Senior Advisers on Environmental and Water Problems at their fourth session in Espoo (Finland) adopted the Convention on Environmental Impact Assessment in a Transboundary Context (E/ECE/1250) and the accompanying Resolution (ECE/ENVWA/19). Representatives of 26 Governments and of the European Economic Community signed the Convention in Espoo. The Signatories will strive for the entry into force of the Convention as soon as possible and seek to implement the Convention to the maximum extent possible pending its entry into force.

5. On 26 February 1991 the Espoo Ministerial Statement was adopted and is annexed to the Report of the fourth session.

6. The Senior Advisers urged that the necessary steps be taken by the relevant subsidiary bodies to finalize the Convention on the Protection and Use of Transboundary Water Courses and International Lakes and the Convention on the Transboundary Impacts of Industrial Accidents respectively.

7. They also completed work on the European Red List of Globally Threatened Animals and Plants and prepared a draft decision for the Commission on the Red List. The Senior Advisers adopted recommendations to ECE Governments on waste-water management (ENVWA/SEM.4/3, Annex II) and on methods and techniques for the prediction of environmental impacts (ENVWA/R.48) as well as a report on the relationship between economic development and the conservation of flora, fauna and their habitats. Arrangements were made for the further elaboration of documents on environmental rights and obligations; responsibility and liability; and initiatives and existing projects in the field of bilateral and multilateral financial co-operation in the ECE region of relevance to environmental protection.

8. The Senior Advisers have taken steps to stregthen co-operation and co-ordination with other international organizations active in the field of environment, in particular OECD and EC. Steps have been taken with a view to extending systems and practices established by OECD for its member countries to the ECE region as a whole as regards management of chemicals, economic instruments and analytic environmental policy performance reviews. The Senior Advisers are also considering possibilities for improving monitoring of the state of the environment throughout the ECE region in close co-operation with appropriate international bodies such as the European Community's European Environmental Agency (EEA).

9. The Executive Body for the Convention on Long-range Transboundary Air Pollution, in November 1990, asked the Working Group on Abatement Strategies to take up work on nitrogen oxides, tropospheric ozone and sulphur dioxide, including preparation of a revised draft protocol on the latter. The Executive Body established task forces on persistent organic pollutants and on emissions of heavy metals.

10. Arrangements were made with the United Nations Postal Administration for the issue on 15 March 1991 of a series of commemorative stamps on the theme "ECE - for a better environment".

Transport, communications and tourism (ECE/TRANS/85)

11. An informal group of high-level experts was set up by the Inland Transport Committee in 1990 to consider, inter alia, the implications of the recent political and economic developments in Europe, and the growing concern about the environmental impact of transport. In the light of the proposals of the group the Committee at its fifty-third session reviewed the priority ranking of its activities and took decisions with regard to its structure, working methods and programme of work. To assist countries in transition, steps were taken to organize workshops with respect to the three inland transport modes.

12. The analysis of traffic flows in three important European North-South corridors has been finalized and a joint EEC/ECE project to investigate East-West traffic flows and infrastructure development needs has been launched. European traffic flows will be analysed at a seminar to be held in Volos (Greece) on 4-6 June 1991. An all-European road traffic census was carried out in 1990 the results of which will be published in 1991.

13. With regard to international legal instruments progress was made towards the development of a coherent road transport system in Europe through the revision of the European Agreement concerning the Work of Crews engaged in Road Transport (AETR) which was finalized in the course of the year. The revision of the 1968 Conventions on Road Traffic is also virtually completed. In the field of combined transport, the European Agreement on Important Combined Transport Lines and Related Infrastructure (AGTC) has been finalized and opened for signature. The revision of the 1954 and 1956 conventions on the temporary importation of private road vehicles has also been completed. A substantial part of a new convention on customs treatment of pool containers has been elaborated.

14. A Europe-wide "Road Safety Week" staged from 1 to 7 October 1990 together with the national campaigns organized in member countries found a favourable response in the media and the population at large. Information received from several countries and the EEC concerning activities undertaken in support of the "Road Safety Week" as well as for the promotion of road safety confirms the success of the ECE initiative. The experience acquired together with the information received will serve as a basis for further activities including the holding of a Seminar and the periodical repetition of the road safety campaign.

15. The implementation of ECE/UNDP transport infrastructure projects progressed satisfactorily. Under the Trans-European North-South Motorway Project (TEM) possibilities of obtaining international financing for motorway construction are being considered. The Trans-European North-South Railway Project (TER) has been launched and a Project Central Office was established in Budapest in October 1990. A consultative meeting on the Mediterranean Transport Development Project was held in October 1990 and a new project document has been drafted for transmission to interested countries.

Statistics (ECE/CES/36)

16. The Conference of European Statisticians undertook an in-depth review of its programme of work and set new priorities, emphasizing, in particular, transition, integration and development projects.

17. The steering function of the Bureau of the Conference has been increased by analysing co-operation in, and co-ordination of, statistical activities between the European Community, the OECD and the ECE, by convening informal consultations between members of the respective secretariats and Eurostat, and by elaborating proposals for the streamlining of the Conference's programme of work and for the strengthening of international statistical co-operation. The secretariat regularly participates in meetings of the Intersecretariat Working Group on Co-ordination of Statistical Activities by International Institutions in Central and Eastern Europe, convened under the auspices of Eurostat.

18. Highlights of the substantive work of the Conference include: a Seminar on Demographic and Economic Consequences and Implications of Population Age Structures, co-sponsored by UNFPA, at which demographers and statisticians of the ECE and other regions participated; the joint meeting with the Committee on the Development of Trade on disparities in foreign trade statistics; the joint ILO/ECE Meeting on Labour Force Statistics which considered labour accounting systems, the classification of status in employment, the problem of multiple job-holders and the development of labour statistics in transition countries; the Working Party on Electronic Data Processing focussed on new data processing techniques and data base management systems, standards for electronic interchange of statistical data and needs of transition countries in the field of statistical information technology.

19. Special attention has been paid to supporting statistical offices in transition by organizing a series of workshops. Already in 1990 7 workshops were held and another 6 are scheduled for 1991 (for more detailed information see E/ECE/1232). Based on projects defined by national statistical offices in transition countries, the secretariat has acted on several occasions as a match-maker to facilitate access by transition countries to expert advice from national statistical offices in countries with market economies. As a rule, these projects are sponsored by the partners in the projects concerned. In order to improve co-ordination of statistical transition support activities, an ECE Newsletter on Transition Projects is published.

Development issues and policies (ECE/EC.AD/36)

20. Following the unprecedented developments in central and east European countries, special attention has been paid by the secretariat in its economic analysis work to problems of economies in transition from a centrally-planned to a market economy. Thus, the Economic Survey of Europe in 1989-1990 contained a chapter on economic reforms in eastern Europe and the Soviet Union. The same subject was dealt with in a review "The ECE Economies in Mid-1990", prepared in time for the second regular session of ECOSOC, and, in more detail, at an International Symposium on Reforms in Foreign Economic Relations of Eastern Europe and the Soviet Union, organized in association with the Munich-based Osteurope-Institut and Sudost-Institut. An overview of the results achieved and problems faced in the transition now under way are offered in the Survey for 1990-1991. Given the many problems faced by central and east European countries in this transition process, the Survey for 1989-1990 also presented a framework for western support to the economic reforms in the east, based on an analytical comparison of their present situation with that of west European countries in the early 1950s.

21. The second document mentioned above, and also Vol.42 of the Economic Bulletin for Europe, reviewed separately the German economic and monetary union and/or the unification of Germany. Another subject which has been highlighted in the analytical work is the integration processes in the ECE region, as reflected in the Survey for 1989-1990 (economic integration and the export performance of west European countries outside ECE) and Vol. 42 of the Economic Bulletin (the free trade agreement between Canada and the United States).

22. The Senior Economic Advisers to ECE Governments exchanged information on medium- and long-term economic developments in the ECE region. The elaboration and implementation of economic reforms aimed at the transformation of central and east European economies to a market-based system were singled out as the main challenges facing these countries. The Senior Economic Advisers discussed in detail the problems of economies in transition, taking into account both the analysis provided in the Survey for 1989-1990, and the views expressed by the representatives of the countries concerned. They adopted a decision on the ECE work on economies in transition, providing basic elements for definition of practical workshops as a method of work, and a list of themes to be dealt with in these workshops, to be organized by member countries. (See also E/ECE/1232).

23. The Senior Economic Advisers devoted special attention to the analysis of growth conditions in the period 1991-1995. In this respect, they agreed that the work on the specialized long-term macro-economic data base and macro-economic models undertaken by the secretariat contributed effectively to their work and should be continued as a long-term effort. It was urged that when restructuring the part of the model concerning eastern Europe and the USSR, methods should be developed which would lead to rapid results.

24. A Seminar on Personal and Collective Services was held in The Hague (Netherlands) on 9-12 October 1990.

International trade and development finance (ECE/TRADE/173)

(a) Trade facilitation

25. The Working Party on Facilitation of International Trade Procedures adopted ECE/FAL Recommendation No.23 on Harmonization of the description of freight costs and other charges (Freight Cost Code-FCC); it revised Recommendation No.5 on Abbreviations of INCOTERMS taking into account the revision of INCOTERMS by the International Chamber of Commerce, and Recommendation No.15 on Simpler Shipping Marks to incorporate a provision relating to bar coding. In addition, the Working Party adopted a Model Form for Goods Accompanying Documents and undertook a revision of ECE/FAL Recommendation No.8 "Common Access Reference".

26. It also continued to consider legal or procedural issues which still hamper international trade procedures and may constitute an obstacle to the introduction of Electronic Data Interchange (EDI). The Working Party remained concerned about the trade facilitation problems posed by the practice of pre-shipment inspection (PSI), an issue which is being discussed within the framework of the ongoing trade negotiations in GATT.

27. The development of UN/EDIFACT messages continued to progress within the framework of the EDIFACT Rapporteur machinery set up by the Working Party, with a marked increase in the number of messages approaching the stage of formal adoption. Thus, in March 1990, the Working Party conferred the status of United Nations Standard Message (UNSM, Status 2) to the Purchase Order message, and no less than 12 draft messages related to financial and transport data were submitted for information (Status 0). In September 1990, the Working Party agreed to give (or re-confirm after revision) Status 1 (draft for formal trial) to 15 messages in the Customs, Transport and Finance sectors and noted seven further messages at Status 0.

(b) Trade

28. A meeting of experts in May 1990 considered the results of the secretariat survey of the impact of east-west compensation trade on small and medium-sized enterprises (SMEs) in the ECE region. The experts suggested that the secretariat should update and publish its study and continue its research and related activities on SMEs and compensation trade.

29. A joint meeting of experts of the Committee on the Development of Trade with the Conference of European Statisticians to discuss disparities of foreign trade statistics was held in November 1990. It undertook a comparative review of the sources, nature and consequences of such disparities, examined the work being undertaken nationally and internationally to reduce them, and made suggestions concerning the collection of information, identification of partners and movement of merchandise, valuation of trade and trade networks.

30. In December 1990 the Committee considered the secretariat study on conditions favouring foreign direct investment in the ECE region and requested the secretariat to expand and revise the study for publication. It accepted the invitation of the Austrian authorities to host a workshop on the management of joint ventures in Vienna in May 1991. In the light of the recommendations of the Special Working Group set up by decision A (45), the Committee adopted a much revised programme of work.

31. The Working Party on International Contract Practices in Industry finalized work on the Guide on International Buy-back Contracts (this publication met with such demand that it had to be reprinted within a few months) and began work on a new Guide entitled "Legal aspects of privatization".

(c) Standardization (ECE/STAND/32)

32. The eleventh Meeting of Government Officials Responsible for Standardization Policies in May 1990 agreed on a new programme element to provide scope for practical steps (workshops or seminars) to assist countries in transition to adopt new national standardization principles and practices.

Food and agriculture (including forestry products)

(a) Agriculture (ECE/AGRI/112)

33. The Committee on Agricultural Problems continued to monitor European markets for cereals, livestock and meat and milk and dairy products, as well as trade in agricultural produce and prices received for their products and paid for their inputs by agricultural producers.

34. Two symposia were organized in 1990, one dealing with the use of computers in agriculture, the other on methods and concepts for the use of organic and chemical fertilizers. At the former, the impact of major developments (such as policy deregulation, market liberalization, environmental factors and international standardization of produce) on information needs and decision making at the enterprise level, and the consequent increased need for computerization, were examined. Environmental questions figured prominently in the second symposium including the reduction of emissions into water supplies and the air and the equilibrium between economic and ecological factors in measures to ensure the long-term fertility of the soil and to improve the quality of output.

35. The Working Party on the Standardization of Perishable Produce maintained the rhythm of work on drafting, adopting and revising UN/ECE Standards and Recommendations on a range of agricultural produce, including pears and apples, tomatoes, strawberries and dried grapes. It co-operated with OECD in the adoption of the Guide for the implementation of quality control of fresh fruit and vegetables and Recommendations concerning their labelling and identification. Standardization work was initiated on porcine meat.

36. In March 1991, the Committee decided upon substantial changes to its programme of work and structure, based on decision O (45) as well as on the recommendations of the ad hoc ECE/FAO Working Group, which met in Berlin (Germany) in September 1990 concerning co-operation between the Committee and the FAO European Commission on Agriculture. The Committee agreed on four main work areas: economic analysis of the agri-food sector; relations between agriculture and the environment; standardization in the agri-food sector and quality development; and statistics on food and agriculture. The Working Parties were restructured to cover these four main areas. The revised programme of work and new structure will also allow greater emphasis to be given in each of the work areas to activities in support of countries of central and eastern Europe which are in transition.

(b) Timber (ECE/TIM/54)

37. With the publication in 1990 of the study Timber trends and prospects in North America, the Timber Committee completed the series of studies covering the whole of the ECE region (the study on Europe was published in 1986 and the one on the USSR in 1989). The preparations for the next European study, scheduled for completion in 1995, are currently in the phase of data collection and development of projections models and methodologies.

38. The Committee secretariat is responsible for the temperate-zone part of the Global Forest Resource Assessment 1990, with FAO responsible for the tropical zones and for overall co-ordination of the project. Detailed

information on the temperate-zone forests is being collected and analysed for publication in 1992. The assessment covers both the "traditional" type of inventory data and information on the increasing role of forests in supplying environmental and other non-wood goods and services.

39. Environmental aspects of forestry and the forest industries received increasing attention, e.g. through the work of the team of specialists on the impact of air pollution and other damage to forests on wood supply and markets, the monitoring of sudden and severe damage to forests, and work on a Forest Damage Manual on forest fire prevention and control. The biannual International Forest Fire News, begun in 1989, has been well received and a seminar on forest fire, land use and people will be held in Greece in 1991. Environmental concerns were at the forefront of two seminars held in 1990: in Germany on forest site protection and conservation for sustained yield; and in the United Kingdom on the use of pesticides in forestry.

40. The Committee carried out its usual detailed assessment of the short-term development of the markets and the secretariat compiled production, trade and price statistics and the annual forest products market review.

41. The Timber Committee and the Joint FAO/ECE/ILO Committee on Forest Technology, Management and Training have begun activities in support of countries of central and eastern Europe in transition. These countries have been consulted on topics for workshops or other activities. The first workshop will be held in Hungary on the institutional and organizational structure of forestry under market economy conditions.

Human settlements (ECE/HBP/80)

42. The Committee on Housing, Building and Planning discussed the orientation of its future work and identified two primary concerns: assistance to countries in transition, and sustainable human settlements development. It agreed to prepare a strategy for environmentally sound and sustainable development of human settlements in the ECE region.

43. With respect to assistance to countries in transition, the Committee recognized the need to ensure fast response to practical problems faced by those countries. In December 1990, a first workshop was held in Romania, and several others will be held in 1991. The Seminar on Distributional Aspects of Housing and Taxation Policies in October 1990 adopted recommendations concerning countries in transition. The Seminar on Comprehensive Policies for Renewal and Modernization of Human Settlements to be held in May 1991 will also address transition aspects.

44. The ECE Compendium of Model Provisions for Building Regulations has been completed and exploratory work has started on expanding it to non-residential buildings and/or modernization activities. In co-operation with the Conference of European Statisticians, work began on a revision of the European Programme of Current Housing Statistics.

Industrial development

(a) Chemicals (ECE/CHEM/77)

45. At the Meeting on the Periodic Survey of the Chemical Industry, structural developments and changes occurring in sectors of the industry and product groups were examined. A Seminar on Changes in Eastern Chemical Markets - the Role of Joint Ventures, Wholly-Owned Subsidiaries and Industry Federations was held in Warsaw (Poland) in December 1990. Preparations began for the High-level Meeting on Co-operation and Sustainable Development in the Chemical Industry, to be held in the latter part of 1991 or the first half of 1992.

46. The study on The Rational Use of Water and its Treatment in the Chemical Industry (ECE/CHEM/78) was published. Work continued on the studies on substitutes for tripolyphosphates in detergents, engineering plastics, and the management of plastic wastes. Work began on the preparation of the ECE Directory of Chemical Producers and Products.

(b) Engineering Industries and Automation (ECE/ENG.AUT/46)

47. The Meeting on Questions of Statistics concerning Engineering Industries and Automation reviewed, inter alia, developments in this sector, including aspects related to international trade A Seminar on Air Pollution Control in Engineering Industries was held in Geneva in November 1990. The first workshop on rehabilitation engineering (REHAB-I) was held in Washington D.C. (United States of America) in June 1990. Preparations continued for the second workshop, to be held at Fagernes (Norway) in May 1991 and for the third, to be held in late 1991 or early 1992.

48. An ad hoc meeting in October 1990 elaborated a programme for a seminar on new materials and their application in engineering industries. Preliminary work was undertaken for the study on low-waste technologies in engineering industries. A second ad hoc meeting for the study of food-processing machinery, including packaging techniques was held in October 1990 to finalize the study. Preparations began for a study tour of the Hungarian food-processing industry in late 1991.

(c) Steel (ECE/STEEL/72)

49. A review was made in 1990 of the major trends in the production and consumption of, and trade in, steel and steel-making raw materials, investment and prices as well as factors influencing steel consumption in the face of competitive materials. A Seminar on the Technical and Economic Aspects of the Manufacture of Coated Steel Products was held in Genoa (Italy) in May 1990. A study tour of the steel industry in Germany was organized in September 1990. A Seminar on Producers' and Users' Metallurgical Requirements in the Welding of Steel Products will be held in Kiev (Ukrainian SSR) in September 1991.

50. The secretariat provided assistance in the organization of a workshop on the USSR Steel Industry in Transition Towards Market Conditions, held in Moscow in March 1991, and of a similar workshop to be held in Sofia (Bulgaria) in June 1991. The secretariat also co-operated with the International Iron

and Steel Institute in organizing the World Conference on Environmental Control in the Steel Industry.

51. The study on Recuperation and Economic Utilization of By-Products of the Iron and Steel Industry was published (ECE/STEEL/68) and work began on the study on Steel Product Quality and Maximum Utilization of Scrap.

Energy issues (ECE/ENERGY/15)

52. At their meeting in October/November 1990 the Senior Advisers to ECE Governments on Energy reviewed, inter alia, the energy situation in the ECE region from the point of view of sustainable development. They examined the results of the Bergen Conference on the follow-up to the Report of the WCED, in particular the request addressed to ECE to undertake an information campaign entitled "Energy Efficiency 2000". An ad hoc Meeting was held in January 1991 which approved the modalities of the Project and took note of pledges of support from participating countries. A project document and budget will be submitted to a Steering Committee in May 1991, as of which date the Project would become operational.

53. During the period under review, the following studies were finalized: Interrelationships between environmental and energy policies; Optimum use of primary energy resources; Energy balances for Europe and North America, 1970-2010; Energy Reforms in Central and Eastern Europe - The First Year.

54. The Coal Committee in September 1990 emphasized the importance attached to future co-operation in the field of coal, particularly in the context of recent events in the Middle East, and identified sectoral priorities as being environmental protection and safety, sustainability of coal conversion, transition of the coal industry to market conditions, standardization, classification and codification aiming at facilitating trade or enhancing safety, and co-operation on efficient clean coal technologies.

55. A Workshop on Market Adaptation of Coal Industries in Central and Eastern Europe was organized in the Czech and Slovak Federal Republic and France in June 1990; Task Forces were set up on the elaboration of an international classification of coals and on the elaboration of an international classification of the dynamic phenomena in mines. Preparations began for two symposia: on Opencast Coal Mining and the Environment (Nottingham, United Kingdom, October 1992) and on Dynamic Phenomena in Underground Mines (Leningrad, USSR, June 1994). The latter will constitute a contribution to the United Nations International Decade for the Prevention of Natural Disasters.

56. The Working Party on Electric Power has concentrated on economic and technological aspects, including current developments, medium-term and long-term prospects, new technologies, impact on the environment of electric power stations, implications of climate change for electricity supply and international interconnections, more specifically central European interconnections.

57. A Seminar on the Rational Use of Electricity (November 1990, Iassi (Romania)) was preceded by a Briefing and consultation on the Romanian electric power situation, prospects and investment needs.

58. The Working Party on Gas agreed to a new sector of work on "Economic Reforms and Restructuring in Eastern and Central Europe and their Implications and Significance on Gas Markets and the Gas Industry in the ECE Region". A study is being carried out on Interconnections and Extension of Gas Networks in Europe, designed to provide gas supply options to countries in eastern and central Europe and the related pipeline interconnections and extensions.

59. A Symposium on the Use of Computers in the Gas Industry was held in Budapest (Hungary) in October 1990. Arrangements were finalized for a Symposium on the Use of Gaseous Fuels for Motor Vehicles, to be held in Kiev (Ukrainian SSR) in September 1991.

Science and Technology (ECE/SC.TECH/39)

60. The Senior Advisers to ECE Governments on Science and Technology reassessed their activities, and considered the nature and purpose of the quadrennial review of changes in overall policies and of agreements on scientific and technological co-operation, to be held in 1992.

61. The Senior Advisers discussed the economic and social impacts of biotechnology with a view to the public response and government policies to facilitate public involvement. The collection of information for the inventory of safety guidelines in biotechnology continued and summaries of submissions on the subject from 18 Governments were issued.

62. Consideration was given to new areas for co-operation, including ways to increase the innovative work of small and medium-sized enterprises; the role of Governments in the promotion and application of scientific and technological achievements and science and technology policy under market-economy conditions; and prerequisites for the development of a pan-European network for the electronic exchange and dissemination of information in R and D and innovation. A forum discussion on organization and management of R and D and economies in transition will be held in 1991. The Seminar on the Role of Long-Term Forecasting in the Formulation of Science and Technology Policies was held in Prague (Czech and Slovak Federal Republic) in October 1990.